Message

From: Roewer, James [JRoewer@eei.org]
Sent: 7/10/2017 7:03:52 PM
To: Johnson, Barnes [Johnson.Barnes@epa.gov]
CC: Doug Green [dhgreen@venable.com]; HAROLD D. REGISTER JR <HAROLD.REGISTERJR@cmsenergy.com> (HAROLD.REGISTERJR@cmsenergy.com) [HAROLD.REGISTERJR@cmsenergy.com]
Subject: Alternative Closure Provisions & Electric Reliability Issues
Attachments: EEI Assessment of CCR Impacts on Electric Reliability Final_7_10_17 with attachment.pdf

Barnes, attached is the power reliability analysis that we had EEI prepare in a follow-up to our recent meeting regarding EPA's development of a proposal to amend the CCR rule's alternative closure provision to allow for the consideration of non-CCR waste streams.

Recall that the problem we are trying to address is a scenario where a power generating station needs to manage its non-CCR wastewaters in an unlined CCR surface impoundment that is otherwise required to close because groundwater monitoring data show that the impoundment has exceeded an applicable groundwater protection standard. Because the rule's alternative closure provision in 257.013 currently does not allow for the consideration of the lack of disposal capacity for **non**-CCR wastewaters managed in these impoundments, there is no opportunity for the owner/operator to utilize the provision and keep the impoundment operating for a limited period of time until alternative wastewater management capacity is developed. As a result, the impoundment must close and, with no alternative management option for the non-CCR wastewater, the power plant also must cease power generation.

As EPA correctly recognized in developing the current alternative closure provision, the risk of the loss of power generation in these circumstances outweighs the risk of allowing the impoundment to remain open for a limited period of time, subject to all applicable CCR requirements (including corrective action), until such time as alternative disposal capacity is developed. The EEI reliability analysis shows that this risk trade-off is the same in the case of non-CCR waste streams.

Specifically, the EEI analysis evaluates the threats to power reliability in the various power generating regions across the country if power generating stations at which unlined CCR surface impoundments exist have to close due to an exceedance of a groundwater protection standard and, as a result, the power stations also have to cease operation since they have no management option for their non-CCR wastewaters. Not surprisingly, the regions in the country where there would be "significant impacts" to power reliability are the areas where coal-fired power generation constitutes a material portion of the power generation portfolio, including the MISO region (the Midwest, Eastern Great Plains and Texas), the SERC region (the South and Southeast) and the PJM region (the mid-Atlantic and Southeast). In the case of MISO and SERC, the report finds that both regions are "highly dependent on coal resources" and "[t]he apparent affect resulting from the loss of CCR Resources [i.e., the closure of CCR surface impoundments needed to manage non-CCR wastewaters at power stations] could have significant impacts within" the regions, "which could necessitate [the regions] to shed load, rely on imports or both in order [to] meet their peak load demands, as well as require additional resource contracts to support reliability reserves." These findings are consistent with the views expressed by the USWAG members in attendance at our recent meeting, including Southern Company (the South), AEP (the Midwest and Texas) and Consumers (the upper-Midwest), where they explained that certain of their power generating stations would face closure if the CCR impoundments managing non-CCR wastewaters were forced to close, thus leaving the power station with no wastewater management option for non-CCR wastewaters.

As we discussed, amending the CCR rule's alternative closure provision to allow for the consideration of the lack of disposal capacity for non-CCR wastewaters would help to avoid these real threats to power reliability.

Let me know if you have questions regarding the attached report. We are available to continue to assist EPA in developing this important proposal.

Regards,

Jim

Jim Roewer
Executive Director
USWAG

USWAG UTILITY SOLID WASTE ACTIVITIES GROUP

c/o Edison Electric Institute
701 Pennsylvania Avenue, NW
Washington, DC 20004-2696
202-508-5645
www.uswag.org